APPROVED BY THE SENATE RESEARCH COMMITTEE 4/19/10

April 8, 2010

TO: Senate Research Committee,
Academic Programs Review Committee

FROM: Research Center Review Subcommittee

SUBJECT: Review of the Experimental Economics Center

This report on the Experimental Economics Center (ExCEN) was reviewed by the Research Center Review Subcommittee of the Senate Research Committee as part of APACE’s academic review of the Andrew Young School of Policy Studies. The Center was created in mid-2007. Its structure includes a Director, 8 core faculty with appointments in the Andrew Young School and the Robinson College of Business, 9 affiliated faculty from within Georgia State University and an additional 12 affiliated faculty from other area universities and the Federal Reserve Bank of Atlanta. The Center Director identified the goal of the ExCEN as “to create a nationally and internationally distinguished center for experimental economics that would be fully integrated into the Department of Economics and Andrew Young School of Policy Studies” … with a vision “to do this through participation in all of the central functions of the department and school including (1) research: (2) teaching: (3) professional service: and (4) outreach activities.” The ExCEN Center does not have an advisory board with management primarily the responsibility of the Director (J. C. Cox), the Associate Director (S. Laury) and the Operations Director (J. T. Swarthout). In addition they have 3 full time staff and 4 GRAs. The ExCEN has physical space in the AYS building for IT infrastructure and some space for laboratory experiments (computer stations). Much of the research is done at a variety of locations nationally/internationally including remote locations for field studies.

The collaborative nature of the ExCEN appears as a model for all centers with collaborations within the center, among GSU faculty and faculty in neighboring institutions (e.g., Kennesaw State) as well as collaborations with a Nobel Prize winner (with whom a core member has a collaborative NSF grant). There are past and present research projects being conducted around the world in work that extends beyond economics per se to include behavioral sciences, political science, environmental policy, natural resource management, healthcare practice, clinical psychology, cybernetics, neuroscience, psycholinguistics and computer science. It is truly a remarkable collection of highly interactive and productive local, regional, national and international collaborations. Consequently, it is not surprising that since mid 2007 to February 2010, the core researchers have published 44 peer-reviewed research papers between (2007-2009; 44/8=5.5 publications/year on average), 16 invited book chapters (2007-2009; 16/8=2/year on average), and 129 external presentations including keynote addresses and other major and more minor conference presentations, departmental seminars and the like (2007-2009 129/8=17.4/year). It also is not surprising that this group has generated
considerable extramural funding. Given that its first year (2007) and this year (2010) are partial, for the three complete years the total grant and/or contract expenditures averaged $333,830 per year which is outstanding. These monies represent the majority of funding for ExCEN (~62.7%), with Fund Code 10 monies representing the next highest funding source, but a relatively modest one (~28.9%). Collectively, the research component of the ExCEN has been outstanding.

Relative to teaching, although the ExCEN report did not address teaching very specifically, teaching has occurred in abundance. The ExCEN developed EconPort, a economics digital library and virtual laboratory that is used for teaching and research (supported by a nearly 1 million dollar NSF grant). Numerous national/international workshops have occurred to teach economics instructors this teaching/research resource – a resource that promotes ‘active learning’ (i.e., in-classroom experiments based on economic principles and theories). In addition, the ExCEN has had an active seminar series since its inception with 30 invited seminars between 2007 and early 2010. Collectively, the teaching mission of the ExCEN appears excellent to date.

In terms of their service to GSU, the community and their fields, a series of ‘working papers’ (~ white papers) has occurred (33/8 faculty, 4.1/year) dealing with practical economic issues for a more general audience than academics. In addition, the workshops noted above also have a community/field service aspect. Collectively, the outreach as been excellent as well.

In short, the ExCEN is exemplary as a research center comprised of an accomplished group of core members and affiliates that collectively is clearly synergistic creating a whole that is considerably larger than its parts. Impediments to further and future growth beyond the pervasive budget constraints of GSU and the University System of Georgia, is solid institutional-based funding for graduate students and funds for experiment participant motivational payments to allow graduate student dissertation experiments and experiments by newly-attracted faculty to experimental economics to occur. Any available institutional funds for these two purposes will likely be leveraged into further successes by the ExCEN, regardless of the metric used.

Therefore, the Senate Research Committee’s Subcommittee on Research Center commends the Experimental Economics Center (ExCEN) for their research and other efforts and recommends, without reservation or hesitation, continued status as a Research Center.